

## Attachment D



September 7, 2012

**President**  
Marshall E. Ochylski

**Vice President**  
Leonard A. Moothart

**Directors**  
Craig V. Baltimore  
David S. Vogel  
R. Michael Wright

**General Manager**  
Susan Morrow

**District Accountant**  
Amparo Haber

**Fire Chief**  
Robert Lewin

**Battalion Chief**  
Phill Veneris

**Mailing Address:**  
P.O. Box 6064  
Los Osos, CA 93412

**Offices:**  
2122 9<sup>th</sup> Street, Suite 102  
Los Osos, CA 93402

**Phone:** 805/528-9370  
**FAX:** 805/528-9377

[www.locsd.org](http://www.locsd.org)

Honorable Board of Supervisors  
County of San Luis Obispo  
Room D-430, County Government Center  
San Luis Obispo, California 93408

Re: County's Water Conservation Implementation Plan

Honorable Chairperson Patterson and Members of the Board:

Providing safe drinking water at an affordable cost is the primary focus of the Los Osos CSD (LOCSD). Issues that affect our groundwater basin, the quality of our water supply, and our ability to plan for future improvements based on known revenues have significant impacts on our District. Further, we are concerned with the general well-being of our community and how our limited financial resources are spent. This correspondence explains our thoughts and concerns regarding the Water Conservation Implementation Plan for the Los Osos Waste Water Project.

One of our foremost concerns is the continued use of outdated consumption data and information from the Maddaus Report. This report was generated for use in the preparation of the ISJ Basin Management Plan. While this report is useful for projecting future water demands for the entire groundwater basin, it is clear that a significant portion of the demand reductions contemplated in that report have already been achieved. When that report was originally prepared, the LOCSD reviewed it and identified in detail the outdated consumption data and submitted specific recommendations to strengthen that report. Unfortunately, this report is being used by County staff in its uncorrected form and we are concerned that the continued inclusion of outdated data and information could have a significant negative impact on achieving the stated goal of providing financial assistance to residents of our community for the costs of their retrofitting and implementation of other water conservation measures.

Our concern is that once the wastewater project's mandated goal of 50 gallons/person/day indoor water consumption is met that active efforts to reduce consumption further will be significantly reduced. This concern is most clearly demonstrated by current consumption data included in that report that shows the community-wide indoor water consumption is approximately 55 gallons/person/day, contrary to the 70 gallons stated in the report. This is a significant difference.

In order to help preserve our groundwater basin, which is our only source of safe drinking water, we request that the County add as an element to the plan periodic recalibration of the model used by Maddaus. This will help provide LOCSD and other water purveyors with a useful projection of how the conservation efforts will affect water production and attendant revenues, which will allow the purveyors to effectively plan their future.



If the County concludes that recalibrating the model is not an option, the LOCSD Board of Directors advocates that the County request the Coastal Commission to allow a phased implementation approach so that the plan can be reevaluated once the indoor 50 gallons/person/day threshold is met. By using such an approach, available funding can be used to most effectively reduce the negative impacts on our groundwater basin. Regular monitoring and evaluation of the plan could be performed which would enable the water purveyors, the County and regulatory agencies to adjust the implementation strategy to achieve maximum water conservation using the most cost-effective tools available.

As a purveyor, we are disappointed that we were not consulted in the development of the plan as stipulated in Coastal Development Permit Special Condition 99. However, we are looking forward to working in concert with the County and the other water purveyors in the future to update, revise and implement the water conservation plan.

Another specific concern we have is that the Plan refers to Year One starting July 1, 2012. This statement needs to be clarified because it implies that retrofitting should have started by that date and that the plan is currently being implemented.

The Plan also states that the water purveyors and the County would meet on a quarterly basis. We would like to start those meetings as soon as possible so that we can discuss the County's expectations regarding the provision of account and other information by the purveyors, as well as any anticipated activities that have cost and budget implications for the LOCSD.

As you are aware, retrofitting is a mandatory component of the wastewater project. We believe that as a mandatory component of that project that the funding identified for the water conservation component should fully pay for the retrofitting activity with no out-of-pocket expense to the property owner. If retrofitting was not mandatory, a rebate program would be the appropriate approach to provide an "incentive" to property owners within the prohibition zone. The LOCSD also urges the County to consider some financial benefit for those in the community who have already committed their financial resources to retrofit their plumbing fixtures and taken other water conservation measures to reduce their interior water consumption.

Further, a large portion of the money in the Plan will be spent on Water Surveys (\$1.88 million). The LOCSD suggests giving property owners the option to provide verification as stipulated in Coastal Development Permit Special Condition 103. Implementation of this option would significantly cut costs, eliminate any privacy concern, all while complying with this condition mandating each property owner to provide required verification.

As a community we are always concerned with cost and the most efficient use of our monetary resources. In this regard, our review of the Plan notes that administration costs of more than 50% are very high. The expectation based on information provided by the expertise of LOCSD UAC committee and experience of our board and staff is that this number should not exceed 30%. The obvious concern is the efficient use of prohibition zone money. We urge the board to direct staff to find ways to lower the cost of administration and redistributing the funds to be applied to cost-effective retrofitting and other water conservation measures.

We look forward to working with Public Works staff in revising and implementing the Water Conservation Implementation Plan to ensure that the entire \$5 million is efficiently spent in our community. We are interested in starting the retrofit program as soon as possible. We also see this program as a way to discover opportunities for the LOCSD and the community of Los Osos to work in collaboration with the County. We are proud of the accomplishments we have made in conservation thus far and look forward to working together to reach even higher levels of conservation.

Sincerely,

LOS OSOS COMMUNITY SERVICE DISTRICT



Marshall E. Ochylski  
President

Cc: California Coastal Commission  
Regional Water Quality Control Board